

**Village of Victor  
Urban Renewal Agency  
(A Discretely Presented Component Unit  
of the Village of Victor, New York)**

**Financial Statements  
As of May 31, 2022  
Together With  
Independent Auditor's Report**

**Village of Victor Urban Renewal Agency**  
**(A Discretely Presented Component Unit of the Village of Victor, New York)**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the  
Village of Victor Urban Renewal Agency, New York

### Opinions

We have audited the accompanying financial statements of Village of Victor Urban Renewal Agency (Agency), a discretely presented component unit of the Village of Victor, New York as of and for the year ended May 31, 2022, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Village of Victor Urban Renewal Agency, New York as of May 31, 2022, and the respective change in its financial position and its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village of Victor Urban Renewal Agency, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village of Victor Urban Renewal Agency's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village of Victor Urban Renewal Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village of Victor Urban Renewal Agency's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

#### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 9, 2022 on our consideration of the Village of Victor Urban Renewal Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village of Victor Urban Renewal Agency's internal control over financial reporting and compliance.

Sincerely,



Victor, New York  
September 9, 2022

**VILLAGE OF VICTOR URBAN RENEWAL AGENCY**  
**(A Discretely Presented Component Unit of the Village of Victor, New York)**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**FOR THE YEARS ENDED MAY 31, 2022**

The following Management's Discussion and Analysis (MD&A) of the Village of Victor Urban Renewal Agency, New York's (Agency) financial performance provides an overview of the Agency's financial activities for the year ended May 31, 2022. The MD&A should be read in conjunction with the Agency's financial statements and related notes, which follow the MD&A.

**Financial Highlights**

Key financial highlights for 2022 are as follows:

- The assets of the Agency exceeded its liabilities at the close of the most recent year by \$204,625 (net position).
- \$15,125 (unrestricted net position) is available for the Agency's ongoing operations related to Urban Renewal.

**Overview of the Financial Statements**

The discussion and analysis is intended to serve as an introduction to the Agency's financial statements. The Agency's financial statements are comprised of two components: (1) government-wide financial statements, and (2) notes to the financial statements.

**Government-Wide Financial Statements**

The Agency's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Agency's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The *statement of net position* presents information on all of the Agency's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating. Evaluation of the overall health of the Agency would extend to other nonfinancial factors, such as diversification of the tenants base or the condition of agency infrastructure, in addition to the financial information provided in this report.

The statement of revenues, expenses, and changes in fund net position presents information showing how the government's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. An important purpose of the design of this statement is to show the financial reliance of the Agency's distinct activities or functions on revenues provided by the Agency's lessees, grantors, and contributors as applicable.

**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found following the financial statement section of this report.

## Overview of the Financial Statements (Continued)

### Government-Wide Financial Analysis

The analysis below summarizes the statements of net position (Table 1) and changes in net position (Table 2) of the Agency as of and for the years ended May 31, 2022 and 2021.

	<u>2022</u>	<u>2021</u>
<b><u>ASSETS</u></b>		
CURRENT ASSETS	\$ 15,125	\$ 11,858
CAPITAL ASSETS	189,500	189,500
<b>TOTAL ASSETS</b>	<u>204,625</u>	<u>201,358</u>
<b><u>LIABILITIES</u></b>		
CURRENT LIABILITIES	-	-
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>-</u>
<b><u>NET POSITION</u></b>		
INVESTMENT IN CAPITAL ASSETS	189,500	189,500
UNRESTRICTED	15,125	11,858
<b>TOTAL NET POSITION</b>	<u>\$ 204,625</u>	<u>\$ 201,358</u>

Table 2 shows the changes in net position for the years ended May 31, 2022 and 2021.

	<u>2022</u>	<u>2021</u>
<b>REVENUES:</b>		
Contribution from Village	\$ 5,900	\$ 6,580
Interest on program income	2	3
<b>TOTAL REVENUES</b>	<u>5,902</u>	<u>6,583</u>
<b>EXPENSES:</b>		
Façade grant	-	4,000
Real estate taxes	735	304
Repairs and maintenance	-	967
Professional fees	1,900	1,850
<b>TOTAL EXPENSES</b>	<u>2,635</u>	<u>7,121</u>
Net operation Income (Deficit)	<u>3,267</u>	<u>(538)</u>
Change in Net Position	<u>\$ 3,267</u>	<u>\$ (538)</u>

### Capital Assets

The Agency's investment in capital assets as of May 31, 2022 and 2021 amounted to \$189,500. This investment in capital assets includes land.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Village of Victor Urban Renewal Agency's finances for all those interested. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: The Chairperson of the Board, Village of Victor Urban Renewal Agency, 60 E. Main Street, Victor, New York 14564-1302.

**VILLAGE OF VICTOR URBAN RENEWAL AGENCY**  
**(A Discretely Presented Component Unit of the Village of Victor, New York)**  
**STATEMENT OF NET POSITION**  
**AS OF MAY 31, 2022**

**ASSETS**

**CURRENT ASSETS**

Cash and cash equivalents	\$ 14,694
Prepaid real estate taxes	431
<b>TOTAL CURRENT ASSETS</b>	<u>15,125</u>

**CAPITAL ASSETS**

Land	189,500
<b>TOTAL CAPITAL ASSETS</b>	<u>189,500</u>

<b>TOTAL ASSETS</b>	<u><u>\$ 204,625</u></u>
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**NET ASSETS**

**NET POSITION**

Investment in capital assets	\$ 189,500
Unrestricted	15,125
<b>TOTAL NET POSITION</b>	<u>204,625</u>

<b>TOTAL LIABILITIES AND NET POSITION</b>	<u><u>\$ 204,625</u></u>
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The accompanying notes are an integral  
part of these financial statements



**VILLAGE OF VICTOR URBAN RENEWAL AGENCY**  
**(A Discretely Presented Component Unit of the Village of Victor, New York)**  
**STATEMENT OF REVENUE, EXPENSES AND CHANGE IN NET POSITION**  
**FOR THE YEAR ENDED MAY 31, 2022**

**OPERATING INCOME**

Contribution from Village	\$ 5,900
Interest on program income	<u>2</u>

<b>TOTAL OPERATING INCOME</b>	<u>5,902</u>
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**OPERATING EXPENSES**

Real estate taxes	735
Professional fees	<u>1,900</u>

<b>TOTAL OPERATING EXPENSES, NET</b>	<u>2,635</u>
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Change in net position	3,267
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Net position - beginning	<u>201,358</u>
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Net position - ending	<u><u>\$ 204,625</u></u>
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The accompanying notes are an integral  
part of these financial statements

**VILLAGE OF VICTOR URBAN RENEWAL AGENCY**  
**(A Discretely Presented Component Unit of the Village of Victor, New York)**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED MAY 31, 2022**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Receipts from charges, fees and grants	\$ 5,902
Payments of contractual expenses	<u>(2,640)</u>
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b><u>3,262</u></b>
Change in cash	3,262
Cash, beginning	<u>11,432</u>
Cash, ending	<b><u>\$ 14,694</u></b>

**RECONCILIATION OF OPERATING INCOME TO NET**  
**CASH FLOWS FROM OPERATING ACTIVITIES:**

Operating income	\$ 3,267
Changes in:	
Current assets	<u>(5)</u>
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b><u>\$ 3,262</u></b>

The accompanying notes are an integral  
part of these financial statements

**VILLAGE OF VICTOR URBAN RENEWAL AGENCY**  
**(A Discretely Presented Component Unit of the Village of Victor, New York)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**MAY 31, 2022**

**Note 1 – Financial Reporting Entity**

The accompanying financial statements present the financial position and revenues and expenditures of the Village of Urban Renewal Agency (Agency). The Agency was formed on July 27, 1982 under Article 15 and 15-A of the General Municipal Law. The accounting records of the Agency are separate from those of the Village of Victor. The Agency was created to develop and oversee the Village's urban renewal efforts.

**Note 2 – Summary of Significant Accounting Policies**

The financial statements of the Agency have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to proprietary funds on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred. Management must make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates. Financial instruments, including borrowings, are all carried at amounts that approximate fair value.

The State of Net Position presents information that includes all of the Agency's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Agency as a whole is improving or deteriorating. Evaluation of the overall health of the Agency would extend to other nonfinancial factors, such as diversification of the tenants or the condition of Agency infrastructure in addition to the financial information provided in this report.

The Statement of Activities reports how the Agency's net position changed during the current fiscal year. All current-year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of this statement is to show the financial reliance of the Agency's distinct activities of functions on revenues provided by the Agency's lessees, grantors, and contributors as applicable.

**Basis of Presentation**

GASB requires the classification of net position into three classifications defined as follows:

- Net investment in capital assets - This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets, if applicable. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.
- Restricted net position-This component of net position consists of amounts which have external constraints placed on their use imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. The Agency does not presently have any restricted net position.
- Unrestricted net position-This component of net position consists of net position that does not meet the definition of "net investment in capital assets," or "restricted."

Absent and Agency policy, when an expense is incurred for which both restricted and unrestricted resources are available for use, the Agency considers amounts to have been spent first out of restricted resources, and the unrestricted resources as they are needed.

**VILLAGE OF VICTOR URBAN RENEWAL AGENCY**  
**(A Discretely Presented Component Unit of the Village of Victor, New York)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**MAY 31, 2022**

**Note 2 – Summary of Significant Accounting Policies (Continued)**

Cash

The Agency considers all highly liquid cash accounts and other temporary investments of three months or less as cash equivalents.

Restricted Cash

Restricted cash represents cash where use is limited by legal requirements. These assets include amounts required by statute to be reserved for various purposes.

Capital Assets

Property owned by the Agency is stated at original cost upon acquisition.

Operating and Non-Operating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for the Agency include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Related Parties

The Agency is related through common managerial and operational personnel and common Board of Directors members with Village of Victor Board of Trustees.

Income Taxes

The Village of Victor Urban Renewal Agency is exempt from income tax under the Internal Revenue Code.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Note 3 – Deposits With Financial Institutions and Investments**

Policies

The Agency follows an investment and deposit policy, the overall objective of which is to conform with Federal, State and local government requirements; adequately protect the principal amount of all deposits and investments; plan for and provide sufficient liquidity for payment of all financial obligations in a timely manner; and obtain a reasonable rate of return.

The Agency monies must be deposited in Federal Deposit Insurance Corporation (FDIC)-insured commercial banks or trust companies located within and authorized to do business in New York State. Collateral is required for deposits and certificates of deposits not covered by FDIC insurance.

Interest Rate Risk

Interest rate risk is the risk that the fair value of investments will be affected by changing interest rates. The Agency has an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

The Agency's policy is to minimize the risk of loss due to failure of an issuer or other Counterparty to an investment to fulfill its obligations.

**VILLAGE OF VICTOR URBAN RENEWAL AGENCY**  
**(A Discretely Presented Component Unit of the Village of Victor, New York)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**MAY 31, 2022**

**Note 3 – Deposits With Financial Institutions and Investments (Continued)**

**Custodial Credit Risk**

Custodial credit risk is the risk that, in the event of a failure of a depository financial institution, the reporting entity may not recover its deposits. In accordance with the Agency's investment and policy, all deposit of the Agency including certificates of deposit and special time deposits, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act (FDIA) shall be secured in the following manner:

- Pledge of eligible securities with an aggregate market value equal to the aggregate amount of deposits.
- Eligible surety bond payable to the Agency for an amount of at least equal to 100% of the aggregate amounts of deposits and the agreed upon interest, if any, executed by an insurance company authorized to do business in New York State, whose claims-paying ability is rated in the highest rating category by at least two nationally recognized statistical rating organizations.

**Cash**

At May 31, 2022, the Agency's cash was covered by FDIC insurance.

**Note 4 - Subsequent Events**

The Agency has evaluated subsequent events and transactions for potential recognition and disclosure through September 9, 2022, the date which the financial statements were available to be issued.



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

To the Board of Directors of the  
Village of Victor Urban Renewal Agency, New York

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Village of Victor Urban Renewal Agency (Agency), a component unit of the Village of Victor, New York, as of and for the year ended May 31, 2022, and the related notes to the financial, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated September 9, 2022.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Village of Victor Urban Renewal Agency, New York's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Village of Victor Urban Renewal Agency, New York's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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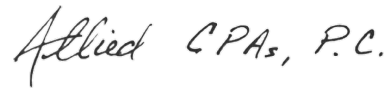
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**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Allied CPAs, P.C." in a cursive, flowing script.

Victor, New York  
September 9, 2022